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Court Order Stops Sale of Unregistered Oil, Gas Investments *DFI Secures Restraining Order Against Don Howard, His Companies*

FRANKFORT, Ky. – (Aug. 8, 2013) – The Department of Financial Institutions (DFI) has taken action to halt the unregistered sale of interests in a series of oil and gas drilling operations in western Kentucky.

DFI has obtained a temporary restraining order from Franklin Circuit Court to prohibit Don Howard and others who may be working with him from selling or offering to sell interests in several oil and gas companies. The order lists Clementsville Oil and Gas Leasing, Liberty Oil Leasing, Three Star Leasing, or any entities Howard may be selling under in violation of Kentucky securities laws. The court found Howard and his companies were selling unregistered securities in violation of the Kentucky Securities Act. The restraining order can be viewed at <http://kfi.ky.gov/legal/Pages/securities.aspx>.

“The activities of Howard and his companies came to our attention when potential investors filed complaints with us after being contacted by Howard over the Internet,” said DFI Securities Division Director Shonita Bossier. “Because people had the foresight to contact DFI and check out the investment opportunity and person selling it, they were able to avoid potential financial harm. We encourage all investors to check with us before investing, especially when the first contact is unsolicited.”

Howard is not registered as an agent with DFI's Division of Securities. None of the companies listed in the order – Clementsville Oil and Gas Leasing, Liberty Oil Leasing, or Three Star Leasing, which is the company investors are instructed to make their checks out to – are registered as business entities with the Secretary of State's office. The Division of Oil and Gas does not show any drilling permits for any of the companies.

Before investing, call DFI at 800-223-2579 to verify if the investment opportunity is registered and if the seller is licensed.

While some oil and gas investment opportunities are legitimate, some may be fraudulent. Investors considering the purchase of shares in oil and gas operations should research to guard against falling victim to fraudulent schemes. DFI provides an oil and gas investor checklist online at <http://kfi.ky.gov/public/Pages/invest.aspx>. Oil and gas investments can take many forms and are often complex. It's important to ask detailed questions when considering such an investment, and DFI's checklist can provide a start. As an alternative, a licensed broker may help you invest in oil exploration and producing companies which are well-established and listed on the New York Stock Exchange.

DFI, <http://kfi.ky.gov>, is an agency in the Public Protection Cabinet. For more than 100 years it has supervised the financial services industry by examining, chartering, licensing and registering various financial institutions, securities firms and professionals operating in Kentucky. DFI's mission is to serve Kentucky residents and protect their financial interests by maintaining a stable financial industry, continuing effective and efficient regulatory oversight, promoting consumer confidence, and encouraging economic opportunities.

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